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June 25, 2014

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JUN 25 2014

PUBLIC SERVICE COMMISSION

Via Hand-Delivery

Mr. Jeffrey Derouen **Executive Director** Kentucky Public Service Commission P.O. Box 615 211 Sower Boulevard Frankfort, KY 40602

Re:

In the Matter of: Duke Energy Kentucky, Inc.'s Application

to Extend Deadline for Filing Integrated Resource Plan

PSC Case No. 2014-

Dear Mr. Derouen:

Enclosed please find for filing with the Commission in the above-referenced case an original and ten (10) copies of Duke Energy Kentucky, Inc.'s Application to Extend Deadline Date for Filing of Integrated Resource Plan regarding the above-styled matter. Please return a file-stamped copy to me.

Do not hesitate to contact me if you have any questions.

Very truly yours

David S. Samford

Enclosures

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PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

DUKE ENERGY KENTUCKY, INC.'S) CASE NO. 2014-

INTEGRATED RESOURCE PLAN

)

APPLICATION TO EXTEND DEADLINE DATE FOR FILING OF INTEGRATED RESOURCE PLAN

Comes now Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), pursuant to 807 KAR 5:058 Section 2(c), and respectfully requests the Public Service Commission (Commission) to extend the deadline date for the filing of Duke Energy Kentucky's 2014 Integrated Resource Plan (IRP). In support of this Motion, Duke Energy Kentucky states as follows:

- 1. Pursuant to 807 KAR 5:001, Section 14(1), Duke Energy Kentucky's business address is 139 East Fourth Street, Cincinnati, Ohio 45202. The Company's local office in Kentucky is Duke Energy Envision Center, 4580 Olympic Boulevard, Erlanger, Kentucky 41018. The Company's email address is KYfilings@duke-energy.com. The relief requested herein, and the facts and authority supporting same, are set forth in detail below.
- 2. Pursuant to 807 KAR 5:001, Section 14(2), Duke Energy Kentucky is a Kentucky Corporation that has been incorporated since March 20, 1901. The Company is in good standing in Kentucky. Its Articles of Incorporation are on file with the Commission in Case No. 2013-00097 and are incorporated hereby by reference.

- Duke Energy Kentucky's triennial IRP is currently due to be filed with the Commission on July 1, 2014. On June 13, 2014, Duke Energy Kentucky filed its Verified Application with the Commission for approval to acquire Dayton Power & Light Company's (DPL) 31 percent interest in the East Bend Unit 2 Generating Station (East Bend) at Rabbit Hash, Boone County, Kentucky. That Application requests that the Commission issue a final decision in the case on or before November 1, 2014, so that Duke Energy Kentucky and DPL can complete the East Bend transaction prior to the December, 2014, termination date of the Purchase and Sale Agreement between those two companies.
- 4. The outcome of the East Bend filing will significantly influence Duke Energy Kentucky's resource planning for at least the next decade. For example, should the Commission approve Duke Energy Kentucky's request in the East Bend filing, that resource (186 MW) will be added to Duke Energy Kentucky's overall generation portfolio, and could affect the future of the Company's Miami Fort 6 plant and other generation resources.
- 5. It makes little sense for Duke Energy Kentucky to complete and file an IRP, the substance of which is heavily dependent upon the outcome of the pending East Bend acquisition proceeding. The time and labor of Duke Energy Kentucky, the Commission and any intervenor(s) would be better served in addressing an IRP that is comprehensive and reflects the current status of all viable generation resources once the outcome of the East Bend acquisition proceeding is known.

¹ Case No. 2014-00201, In the Matter of the Application of Duke Energy Kentucky, Inc. For (1) A Certificate of Public Convenience and Necessity Authorizing the Acquisition of the Dayton Power & Light Company's 31% Interest in the East Bend Generating Station; (2) Approval of Duke Energy Kentucky, Inc.'s Assumption of Certain Liabilities in Connection with the Acquisition; (3) Deferral of Costs Incurred as Part of the Acquisition; and (4) All Other Necessary Waivers, Approval and Relief.

- 6. The Commission's IRP regulation, 807 KAR 5:058 Section 2(c), provides that the schedule for filing an IRP ". . . shall remain in effect until changed by the Commission on its own motion or on motion of one or more electric utilities for good cause shown. Good cause may include a change in the utility's financial or resource conditions." Such a change in "resource conditions" is precisely the situation which Duke Energy Kentucky finds itself in as a result of the East Bend transaction and Duke Energy Kentucky respectfully suggests to the Commission that this resource condition change provides the type of good cause appropriate for the requested extension. The Commission has granted such relief in other similar situations.²
- Assuming that the Commission is able to accommodate Duke Energy Kentucky's request for a final Order in the East Bend case on or before November 1, 2014, the Company would need at least sixty (60) days thereafter to make the necessary changes to its draft IRP to account for whatever the Commission's decision might be. Considering the December holidays and the significant press of business which the Commission usually sees at the end of each calendar year, Duke Energy Kentucky respectfully requests that it be granted an extension until the latter of: (a) the date occurring sixty (60) days after the Commission's issuance of a final Order in Case No. 2014-00201; or (b) January 15, 2015, within which to make its current IRP filing.

² See e.g. In the Matter of Kentucky Power Company's Motion for Extension of Time to File its Integrated Resource Plan, Order, Case No. 2012-00344 (Ky. P.S.C., July 30, 2012) (granting a four month extension to allow the Company to incorporate additional environmental analysis); In the Matter of the Filing by Big Rivers Electric Corporation of its 1999 Integrated Resource Plan, Order, Case No. 1999-00429 (Ky. P.S.C., Dec. 10, 1999) (granting a four month extension to accommodate changes in the operation of its generating facilities); In the Matter of The Joint Integrated Resource Plan of Louisville Gas & Electric Company and Kentucky Utilities Company, Order, Case No. 1999-00430, p. 1 (Ky. P.S.C., Oct. 22, 1999) (granting a one month extension due to the "significant participation by the Companies' Generation Planning Department personnel in other cases presently pending before the Commission...."); In the Matter of The Integrated Resource Plan of the Union Light, Heat and Power Company, Order, Case No. 1998-00248, p. 2 (Ky. P.S.C., Oct. 1, 1998) (granting a one year extension in recognition of changes in load planning and generation arising from the new open access requirements of the Federal Energy Regulatory Commission...").

WHEREFORE, for the reasons stated above, Duke Energy Kentucky respectfully suggests that it has provided good cause for the extension of the deadline for the filing of its current IRP case and requests that the Commission enter an Order resetting the deadline for such filing until the latter of: (a) the date occurring sixty (60) days after the Commission's issuance of a final Order in Case No. 2014-00201; or (b) January 15, 2015.

This the 25th day of June, 2014.

Respectfully submitted,

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Counsel for Duke Energy Kentucky, Inc.

CERTIFICATE OF SERVICE

This is to certify that the foregoing was served by depositing same in the custody and care of the U.S. Mails, postage pre-paid, on this 25th day of June 2014, addressed to the following:

Ms. Jennifer Hans Mr. Lawrence W Cook Office of the Attorney General Office of Utility & Rate Intervention 1024 Capital Center Drive, Suite 200 Frankfort, KY 40601-8204

Counsel for Duke Energy Kentucky, Inc.